

By: Ellis

S.B. No. 1604

A BILL TO BE ENTITLED

AN ACT

relating to discrimination in the sale of insurance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 21, Insurance Code, is amended by adding Section 6 to Article 21.21-6 on Unfair Discrimination, to read as follows:

Sec. 6. (a) A person who has sustained economic damages as a result of another's engaging in unfair discrimination, as defined in Section 3 of this article, may maintain an action against the person or persons engaging in such acts or practices in a district court in Travis County, Texas, and not elsewhere.

(b) In a suit filed under this article, a plaintiff who prevails may obtain:

(1) the amount of economic damages plus court costs and attorneys' fees. Court costs may include any reasonable and necessary expert witness fees. If the trier of fact finds that the defendant knowingly committed any acts prohibited by this article, the court may award a civil penalty in an amount of not more than \$25,000 per claimant; and

(2) an order enjoining such acts or failure to act.

(c) All actions under this article must be commenced within two years after the date on which the unfair discrimination occurred or within two years after the person bringing the action discovered or, in the exercise of reasonable diligence, should have

1 discovered the occurrence of unfair discrimination.

2 SECTION 2. Article 21.21-8, Section 3(c) is amended to read
3 as follows:

4 Sec. 3. (c) All actions under this article must be
5 commenced within [~~12 months~~] two years after the date on which the
6 plaintiff was denied insurance or the unfair act discrimination
7 occurred or within two years after the person bringing the action
8 discovered or, in the exercise of reasonable diligence, should have
9 discovered the occurrence of unfair discrimination.